

"good until May 1st next, I feel that we would not be acting fairly with these responsible individuals were we at an early date to make any move in connection with the matter as a Government enterprise, or relieve them from their attempts to realise the hope that they have evidently entertained that some time or other they would be able to carry out this work to the satisfaction of the Government and of the country as a whole."

The
Company's
reply.

59. If reference is made to the financial proposals made by the Company in the years 1901, 1906, 1910 and 1913, and also to the statements from time to time made in Parliament by responsible Ministers, it will be seen that at no period of the history of the Canal have the promoters at any time whatever suggested or expected that they could construct this work without substantial Parliamentary aid. Neither, indeed, has ever any such suggestion been made to the promoters by the Government at any time.

The only points which the Government have raised with the Canal Company have been:—

- (1) What the cost of the Canal would be.
- (2) What the prospective traffic on the Canal would be.
- (3) Whether the work should be carried out by the Government by administration, or by the Canal Company acting under Government control; and
- (4) To what extent and in what way either by subsidy or guarantee, the Government should grant aid if the work were carried out by a private corporation.

How, moreover, would it have been possible for any private corporation, however powerful, to have raised its capital while the Canadian Government were saying "Possibly we may build this Canal ourselves"—or again, "We doubt the accuracy of your Estimates"—or again, "We are by no means certain that the Canal is needed or that there will be enough trade to make it pay"—or further, "If you build the Canal we shall reserve the right to take it from you, returning you the actual cost, and shall deprive you of any profit." No promoters of any public work have ever before been expected to carry out a great public work under such conditions.

Mr. Rogers
states two
important
facts.

60. In the course of the speech then made by the Minister of Public Works, he called attention to two very important points in connection with the Georgian Bay Canal route as compared with the St. Lawrence route. One was the fact, which is incontrovertible, namely, that on the St. Lawrence route, there are 73 miles of artificial canals as compared with 28 miles on the Georgian Bay route; and another point to which he also directed attention, which is one of the first importance namely, that on the report and evidence of the Government Engineers there will be 1,000,000 h.p. available in connection with the Georgian Bay Canal, which would eventually pay a very large proportion of the interest on the Bonds in connection with the cost of the Canal undertaking.